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TAGS: OVIP CLINTON HILLARY PREL PK
SUBJECT: (U) Secretary Clinton's July 23, 2009 Meeting
with Pakistani Foreign Minister Makhdom Shah Mahmood
Qureshi, Phuket, Thailand

- 11. (U) Classified by: Paul Wohlers, Deputy Executive Secretary, S/ES, Department of State. Reason 1.4.(d)
- 12. (U) July 23, 2009; Phuket, Thailand
- ¶3. (U) Participants:

U.S.
The Secretary
Deputy Chief of Staff Jacob Sullivan
Deputy Chief of Staff Huma Abedin
Lt. Gen. Paul Selva
DAS-D Robert Scher
Spokesperson Ian Kelly
Nejdat Mulla (Embassy Note taker)

Pakistan

Foreign Minister Makhdom Shah Mahmood Qureshi Additional Foreign Secretary Masood Qhalid DG Foreign Minister's Office Zaheer Berviaz Khan Ambassador at Large Nasir Ali Khan Director Foreign Minister's Office Ameer Khurram Rathore Charge d'Affaires Embassy Bangkok Ahmed Amjad Ali

14. (C) Summary: On July 23, the Secretary met Makhdom Shah Mahmood Qureshi, Foreign Minister of Pakistan, on the margins of the ASEAN Regional Forum in Phuket, Thailand. FM Qureshi expressed appreciation for the Administration's approach to South Asia, claimed Pakistan's fight with extremists was progressing, and requested assistance with an energy crisis, police training/funding, resettling displaced families, and disrupting the flow of money and weapons to extremists. On India, Pakistan wanted to move forward with a dialogue to normalize relations. Regarding Afghanistan, Pakistan saw signs of progress in the run-up to presidential elections. The Secretary pledged continued support for Pakistan's fight against extremists and dialogue with India that could move the two countries forward in normalizing relations. She emphasized that Pakistan needed to deny extremists the ability to set the agenda for the relationship with India, and suggested Pakistan initiate a concerted media campaign to publicize its efforts to cooperate with India, as well as promote better cooperation between Indian and Pakistani security elements to build needed confidence and trust. End Summary.

Taking the Fight to the Extremists

15. (C) FM Qureshi described progress made in the fight against extremists. He said the Pakistanis had finally realized that the extremists were threatening their values, economy, and way of life. The army now had the

will to fight, and the people affected by the extremist agenda were no longer afraid to speak out. Qureshi attributed this change, in part, to the U.S. administration's policy of listening to local concerns. Pakistan still faced many challenges, however, and these could affect the current focus on the fight against the militants. Pakistan was in the middle of an energy

crisis that could result in political unrest. This type of distraction would be tragic for efforts against the Taliban. Qureshi requested energy assistance and support in disrupting the flow of money and arms that allowed militant extremists to continue their fight. Pakistan was prepared to expand the military offensive into Waziristan. Pakistan also needed to disrupt the extremists' supply of weapons.

- 16. (C) Qureshi spoke at length about internally displaced persons (IDPs). Authorities had coped with the large number of IDPs that resulted from the military offensive, and over 56,000 families had already returned to their homes. Pakistan needed more police to provide security against further extremist incursions and to rebuild infrastructure { it would cost some \$2.5 billion to restore the Swat valley alone to a functioning level.
- ¶7. (C) The Secretary congratulated Qureshi on Pakistan's handling of the military offensive in Swat. The United States had identified the source for some of the militant funding, and a concerted effort by the United States and Pakistan might disrupt the stream of money. The Secretary agreed that continued security was essential for IDPs to return home. The United States was ready to assist, having already provided \$300 million in short-term aid to IDPs. In the longer term, Pakistan needed to extend governance to the region. The Kerry /Lugar aid package was being finalized and the World Bank's damage assessment report could be helpful in outlining specific needs to the Friends of a Democratic Pakistan group, which needed to find a suitable coordinator.

Setting the Agenda: India and Terrorism

18. (C) Regarding India, FM Qureshi said Pakistan wanted to normalize relations. Despite political posturing, Pakistanis were not interested in confrontation; they wanted tangible improvements in their lives. He emphasized Pakistan's willingness to resume the comprehensive dialogue with India, which was the only option for ensuring stability in South Asia. Pakistani Prime Minister Yousuf Gilani and Indian Prime Minister Manmohan Singh had agreed earlier in July in Sharm el-Sheikh that the Foreign Secretaries of each country would meet as needed, and the Foreign Ministers would meet in New York at the upcoming UNGA. The New York meeting would be successful if both countries could agree on a resumption of the dialogue.

19. (C) The Secretary pledged continued support to Pakistan's renewed engagement with India. PM Singh had been heavily criticized inside India for his meeting with PM Gilani. Regardless, Singh was committed to proceed with the dialogue. India had acted with restraint after the Mumbai terrorist attacks, but such restraint would not be possible if there were another attack. Pakistan's tangible cooperation on terrorism issues, such as bringing terrorists to trial, had helped strengthen the arguments of those in India who advocated restraint. While there would always be differences

governments offered the best opportunity to resolve those differences.

- 110. (C) FM Qureshi told the Secretary that he felt PM Singh was a leader of integrity, but he was frustrated that Pakistan's relationship with India could be determined by a small group of extremists. India and Pakistan had a common interest in fighting terrorism, but the terrorists were setting the agenda for conflict, aided by negative, pessimistic commentary in the media about the prospects for bilateral relations. The large constituency supporting progress in relations with India was not being heard. Pakistan was now taking the initiative against the extremist threat. The United States could help by sharing threat information in a timely manner.
- 111. (C) The Secretary responded that Pakistan needed to be explicit in not allowing terrorists to determine the course of its relationship with India. There was popular support for Pakistan's efforts to fight extremism and normalize the relationship, but the message was not being reflected in the media. The Secretary told FM Qureshi that his message needed to get out, particularly in India, as there needed to be a concerted outreach effort to get moderate Pakistani and Indian commentators to talk about the benefits that would flow from normalization. More contact between civilian and military security forces and better intelligence sharing with India would build trust and demonstrate Pakistan's commitment to working with India. She committed to carrying the message to India about more intelligence and security cooperation.

## Afghanistan

- 112. (C) FM Qureshi thought Afghanistan was moving in a positive direction. Pakistan was closely monitoring the run-up to elections and hoped that results would reflect the will of the people. Pakistan was willing to launch the next round of the Cross-Border Jirga peace process and was moving forward with the transit trade agreement.
- 113. (C) The Secretary said the United States also hoped that the election outcome would reflect the will of the Afghan people, but was committed to working with the elected government. She thanked Qureshi for his cooperation on the transit trade agreement. Cross border trade was in everyone's interests and providing livelihoods was one of the best weapons against extremism. While in India, the Secretary said she had urged the Indian government to be transparent in its work in Afghanistan. India's interest was in preventing Afghanistan from becoming a failed state, not in undermining Pakistan. It would be useful if India and Pakistan could find ways to work together to prevent Afghanistan from failing. CLINTON